equitable burden sharing between the Government, the oil PSUs and consumers to protect the interests of common man, vulnerable sections of society and also the financial health of OMCs.

In this context, the Government has made a marginal increase in petrol and diesel prices by Rs. 2/litre and Re. 1/litre respectively with effect from 15.2.2008, which is actually in the nature of a restoration of retail prices to the price level operating before February, 2007. The Government has issued Oil Bonds and the upstream oil companies have also contributed by offering discount on crude oil and petroleum products to partially compensate the under-recoveries of OMCs. The details of price hike of petrol (at Delhi) during the last three years are given below:

Date	Petrol Rs/Ltr.
01.04.05 (VAT implemented at Delhi)	37.99
21.06.05	40.49
07.09.05	43.49
06.06.06	47.51
21.06.06 (reduction in VAT rate)	46.85
30.11.06	44.85
16.02.07	42.85
06.06.07 (tax rebate on VAT for petrol and diesel withdrawn)	43.52
15.02.08	45.52

Despite the steep increases in international oil prices, the Government has not increased the prices of PDS Kerosene during the last six years. The Government is closely monitoring the international oil prices and will continue to protect the interests of consumers.

Price of petro-products

†587. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that oil producing companies are maintaining pressure to raise the prices of petrol, diesel and gas due to continuous rise in prices of crude oil in international market;

(b) the instances and amount during past three years when the prices of petrol, diesel and gas where hiked consequently alongwith reduction in subsidy;

(c) the extent to which the loss to be measured by these companies would be reduced as a result of depreciation of dollar; and

(d) the loss which is proposed to be reduced by making the import of crude oil stable on reducing it and by mixing the ethanol with petrol and diesel?

THE MINISTER OF STATE IN THE MINISTERY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) The international prices of crude oil and petroleum products have remained high and volatile. In 2005-06 the averaged Indian basket of

†Original notice of the question was received in Hindi.

crude oil was $ 55.72 per barrel, which rose to $ 77.35 per barrel in 2007-08 (upto 28.02.2008). As passing on the entire impact of the steep increase in the oil prices to the consumer would have resulted in hardship to the common man, the retail selling prices of sensitive petroleum products namely petrol, diesel, PDS kerosene and domestic LPG have not been increased in tandem with the international oil prices. The Public Sector Oil Marketing Companies (OMCs) are incurring under-recoveries on domestic sale of these sensitive petroleum products. The OMCs have requested to increase the retail prices of these sensitive petroleum products as per details given below:

Particular *(at Delhi)	Petrol (Rs./Ltr.)	Diesel (Rs./Ltr.)	PDS Kerosene (Rs./Ltr.)	Domestic LPG (Rs./Cyl.)
Existing Price	43.52	30.48	9.05	294.75
Required Price	52.21	40.11	28.41	629.44
Required Increase	8.69	9.63	19.36	334.69

*As on 31st January, 2008

A marginal increase in petrol and diesel prices by Rs. 2/litre and Re. 1/liter respectively was made with effect from 15.2.2008 which is actually in the nature of a restoration of their retail prices to the price level operating before February, 2007.

Despite the steep increases in international oil prices, the Government has not increased the prices of domestic LPG over the last three years.

The instances of price revisions of petrol, diesel and domestic LPG during the last three years (at Delhi) are given below:

Date	Petrol R./Ltr.	Diesel Rs./Ltr.	Domestic LPG Rs./Cyl.
01.04.05 (VAT implemented at Delhi)	37.99	28.22	294.75
04.05.05 (reduction of VAT rate on HSD)		26.45	
21.06.05	40.49	28.45	
07.09.05	43.49	30.45	
06.06.06	47.51	32.47	
21.06.06 (reduction in VAT rate)	46.85	32.25	
30.11.06	44.85	31.25	
16.02.07	42.85	30.25	
06.06.07 (tax rebate on VAT for Petrol and Diesel withdrawn)	43.52	30.48	
08.02.08 (pollution cess in Delhi)		30.76	
15.02.08	45.52	31.76	

The Government is currently giving subsidy on Domestic LPG and PDS Kerosene under 'PDS Kerosene and Domestic LPG Subsidy Scheme 2002". The subsidy has been extended till 31.03.2010 at the rates as followed from 2004-05 onwards. The current average subsidy rates for domestic LPG are at Rs. 22.58 per cylinder and Re. 0.82 per litre for PDS Kerosene.

(c) based on the dollar depreciation for the period Apr. -Dec 07, under-realization of Indian Oil Corporation, Hindustan Petroleum Corporation and Bharat Petroleum Corporation are estimated to be lower on these sensitive petroleum products by approximately Rs. 11,250 cores, Rs. 389.24 crores and Rs. 1330 crores respectively.

(d) 5% Ethanol is being blended with petrol only. The blending of Ethanol with petrol does not have any significant impact on the import of crude oil.

Defence on oil import

588. SHRI GIREESH KUMAR SANGHI:
SHRI JESUDASU SEELAM:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether India is set to become world's third largest oil importer after USA and China before 2025, according to the International Energy Agency;

(b) whether India is ranked fourth in terms of oil imports, according to the World Energy Outlook 2007 report, in which rapid economic development in China and India would push up the global energy demand;

(c) if so, the other points mentioned in the report; and

(d) the step Government proposes to take to reduce the dependence on oil imports in the country?

THE MINISTER OF STATE IN THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) As per the Executive Summary of report of IEF titled "World Energy Outlook 2007 : China and India Insights", before 2025, India will overtake Japan to become the world's third largest net importer of oil after United States and China. Yet, India's importance as a major exporter of refined oil products will also grow, assuming the necessary investments are forthcoming. Although recent discoveries are expected to boost gas production, it is projected to peak between 2020 and 2030 and then fall back. A growing share of India's gas needs would therefore be met by imports entirely in the form of Liquefied Natural Gas. The Executive summary, *inter-alia,* mentions following important points:

(i) Economic development in China and India inevitably will push the global energy demand but it will also bring major economic benefits to the rest of the world.

(ii) The world's primary energy needs are projected to grow by 55% between 2005 and 2030 at an average annual rate of 1.8%

(iii) Regarding energy security, the report stated that the rising global energy demand poses real and growing threat to world's energy security. India's and China's growing participation in international trades heightens the importance of their collective efforts to enhance global energy security. How China and India re-